

Minutes of the Regular Work Session of the
Board of Mayor and Aldermen, City of Kingsport, Tennessee
Monday, October 17, 2011, 4:30 PM
Council Room – City Hall

PRESENT: Board of Mayor and Aldermen

Mayor Dennis R. Phillips

Alderman Valerie Joh

Alderman Benjamin K. Mallicote

Alderman Mike McIntire

Vice-Mayor Tom C. Parham

Alderman Tom Segelhorst

Alderman Jantry Shupe

City Administration

John G. Campbell, City Manager

J. Michael Billingsley, City Attorney

James H. Demming, City Recorder

1. **CALL TO ORDER:** 4:33 p.m. by Mayor Phillips.
2. **ROLL CALL:** By Deputy City Recorder Angie Marshall.
3. **WORK SESSION TICKLER.** Alderman Joh commented on the carousel project and showed off the unicorn piece she is currently working on. Mayor Phillips commented on the Chamber property, noting it was a lot of land in the heart of downtown and it was important what happened to it. He asked Alderman Segelhorst to form a committee with Miles Burdine and two or three other people to discuss this issue and make a recommendation.
4. **FIRE STATION PROJECT UPDATE.** Fire Chief Craig Dye gave an update on this item, detailing the timeline from the bid process, which began in December 2010 to the expected completion date near the end of February 2012. He further explained the major cause for delay was due to the fact that the subcontractor for the steel could not honor the original contract. Chief Dye confirmed for Mayor Phillips there would be no extra expense.
5. **FAÇADE REDEVELOPMENT PROGRAM UPDATE.** Ms. Vanessa Bennett, Director of Operations at the Chamber of Commerce provided details on this item, which is Item VII.2 on the regular business meeting agenda: **Consideration of an Ordinance to Appropriate Additional Funds to KEDB Façade and Redevelopment Funds and Authorize the City Manager to Expend Such Funds, as Needed** (AF: 255-2011). Ms. Bennett discussed the two grant programs – façade and redevelopment, noting the total projects completed to date for each one. She also noted the total amount invested by the property owners and the city. Ms. Bennett pointed out the façade program is a matching grant to improve the downtown area only while the redevelopment program is city wide. Responding to a question by Mayor Phillips, Ms. Bennett described the process applicants undergo. She further stated if each current applicant were funded, it would cost \$33,500 for the façade program and \$67,789 for the redevelopment program.
6. **STORMWATER ADVISORY COMMITTEE RECOMMENDATION.** Public Works Director Ryan McReynolds presented this item which is item VI.B.8 on the regular business meeting agenda: **Consideration of an Ordinance to Amend the Kingsport Code of**

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Ordinances Chapter 106, Utilities for Stormwater Management, Establishing the Function of the Utility, Creating an Enterprise Fund and Method of Funding for the Utility (AF: 285-2011). Through a power point presentation, Mr. McReynolds background and timeline for storm water management, noting the approach in the past has been more reactive and now we will begin maintaining our infrastructure. To date, the city has been able to manage costs and fees within the general fund, however the recommendation now is move these funds into a user fee utility due to new regulations. Mr. McReynolds further explained the proposed rate structure and provided examples, noting other cities that have already adopted this structure. Former Alderman and Stormwater Advisory Committee member Dave Clark also presented information on this issue. There was considerable discussion on this item, as Mr. McReynolds and City Manager Campbell answered questions and addressed concerns of the Board. Mr. McReynolds confirmed for Mayor Phillips that the only thing the Board is approving for this meeting is to establish a storm water ordinance that creates the utility. The fee resolution would be presented for approval at the second reading in November. City Attorney Billingsley pointed out that a fee was not required to be mandated, but the clean water regulations could not be ignored and had to be paid for in some manner, even if it came from the general fund. He further commented the purpose of the fee, in theory, is that everyone is discharging polluted water into the lakes and streams in some manner and this is a way to theoretically pay for it.

***NOTE:** To accommodate members of the audience, Item VI.B.5 and VI.D.7 were addressed, out of order, at this time.*

VI.B.5 Consideration of an Ordinance to Amend FY12 General Purpose School Fund Budget and the General Projects Fund Budget (AF: 282-2011). David Frye, Director of Finance for Kingsport City Schools, gave a brief update on this item.

VI.D.7 Consideration of a Resolution Authorizing the Mayor to Sign All Applicable Documents Necessary and Proper to Enter into a Guaranteed Maximum Price Contract with Denark Construction for the Construction of the Kingsport Aquatic Center (AF: 280-2011). Assistant to the City Manager Chris McCartt briefly discussed the process thus far, noting this step authorizes the initiation to sign the necessary paperwork to begin this project. Procurement manager Sandy Crawford provided further details regarding the costs.

7. REVIEW OF AGENDA ITEMS ON THE OCTOBER 18, 2011 REGULAR BUSINESS MEETING AGENDA. City Manager Campbell, members of staff and community members provided a summary or presentation for each item on the proposed agenda. Those items the Board discussed at greater length or which received specific questions or concerns included:

VI.AA.1 Public Hearing and Consideration of Ordinances to Amend Zoning of a Portion of Parcel 25.00 in Tax Map 77-A Located on Bradley Street from TA Zoning to P-1 Zoning (AF: 252-2011). City Planner Forrest Koder presented this item and the following item and discussed the background for the rezoning. He also stated there was not a consensus but rather a majority, further noting that no phone calls had been received by the planning department regarding either of these items.

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VI.AA.2 Public Hearing and Consideration of Ordinances to Amend Zoning of Parcels 14.00 and 15.00 in Tax Map 77-I Located on Wesley Road and Ft. Henry Drive from M-1R Zoning to P-1 Zoning (AF: 253-2011). See Item VI.AA.1.

VI.AA.3 Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the Colonial Heights Area 5 Part A Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 262-2011). City Planner Ken Weems provided details on this and the following three items. He confirmed for Alderman Joh that the only area with any controversy was Area 5 Part C, noting a petition was laid out at the public meeting but not much effort was put forth. Vice-Mayor Parham commented the neighborhood meetings seemed very effective.

VI.AA.4 Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the Colonial Heights Area 5 Part B Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 263-2011). See Item VI.AA.3.

VI.AA.5 Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the Colonial Heights Area 5 Part C Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 264-2011). See Item VI.AA.3.

VI.AA.6 Public Hearing and Consideration of Ordinances to Annex/Amend Zoning of the Colonial Heights Area 5 Part D Annexation and Consideration of a Resolution Adopting the Plan of Services (AF: 265-2011). See Item VI.AA.3.

VI.B.2 Consideration of a Budget Ordinance Appropriating a Fee in Lieu of Construction for Sidewalks from Darden Restaurants (LongHorn Steakhouse) (AF: 268-2011). City Manager Campbell provided details on this item. Alderman McIntire and Alderman Mallicote stated concerns they had with this item. Public Works Director Ryan McReynolds clarified these issues. Mayor Phillips commented that it was the intent of the Board to have a sidewalk at least the length of the business. He further stated the money would be used for sidewalks on Stone Drive only.

VI.B.7 Consideration of an Ordinance to Transfer Funds from Cleek Road and Harbor Chapel Road to Fordtown Road, Sullivan and Clinchfield Street and Bays Mountain Park Road (AF: 273-2011). City Manager Campbell gave an update on this item, commenting that the city was not backing off any projects, but rather addressing an immediate need to match the Tennessee Department of Transportation funds on Fordtown Road before it can move forward and Bays Mountain Road was an emergency situation. He further stated the doctors would be moving in around November 16th and work on the Sullivan and Clinchfield Street lot needed to be expedited.

VI.D.2 Consideration of a Resolution Amending the Purchase Agreement for Real Property with Diane Clayton to Extend the Closing Date and Authorizing to the Mayor to Execute the Same (AF: 266-2011). City Manager Campbell explained that Ms. Clayton, who wants to put a Burger King on Clinchfield Street, has asked for a one month extension due to a challenge she received from a sibling.

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VI.D.3 Consideration of a Resolution Authorizing the Mayor to Execute All Necessary and Proper Documents to Renew the Agreement with United Healthcare for Medicare Advantage Insurance (AF: 267-2011). City Attorney Billingsley explained there was no cost to the City anymore because the federal government is now paying for it.

VI.D.6 Consideration Authorizing the Mayor to Sign All Documents Necessary to Receive a Recreational Trails Grant from the Tennessee Department of Environment and Conservation for Trail Amenities on the Greenbelt Along the Buffalo Grasslands Section (North Eastman Road to John B. Dennis) (AF: 281-2011). Responding to a question from Alderman McIntire, Assistant to the City Manager Chris McCartt explained what these funds were going to be used for and described the boardwalks, bridge connections and pedestrian amenities that are envisioned for this area.

VI.D.8 Consideration of a Resolution Authorizing Settlement of a Condemnation Action (AF: 278-2011). City Attorney Billingsley provided details on this item, asking for approval of the settlement amount which would be less than the cost of defending the case.

VI.D.9 Consideration of a Resolution Authorizing the Mayor to Execute an Agreement with the KEDB (AF: 286-2011). City Manager Campbell stated the space the winery is going to lease is ready to go, further noting this conforms to the motion made by KEDB (Kingsport Economic Development Board). Alderman Joh commented that citizens have questioned why this dealer was being used and voicing concerns that he has not bottled wine before. Mayor Phillips explained that Michael Reedy approached the city to do this project and we are simply reacting to his idea, also noting he has bottled wine in the past. Vice-Mayor Parham also stated the Kingsport was not getting into the wine business, but rather merely renting space. Mr. Parham also pointed out the risk to the city was minimal but the rewards were great. Community and Government Relations Director Tim Whaley noted the goal was to have a "wine trail" in Sullivan County.


VII.4 Consideration of a Resolution Approving an Addendum to an Agreement with SunGard Public Sector, Inc. Providing for a No-Cost Upgrade to Existing Software and a Change in the Associated Maintenance Fee for Said Software Used to Process the City's Credit/Debit Card Transactions (AF: 270-2011). Finance Senior Accountant Sid Cox provided details on this item. He stated this was an addendum to the previous agreement, pointing out the change in the maintenance agreement was reduced from \$670 a year to \$300 a year.

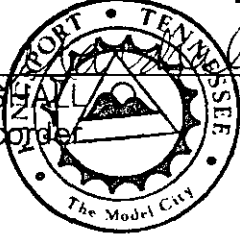
BOARD COMMENT. Alderman Joh reminded everyone to come early to the business meeting tomorrow night to honor the Keep Kingsport Beautiful award recipients.

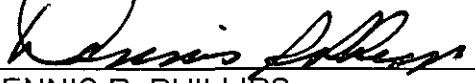
PUBLIC COMMENT. None.

8. ADJOURN. Seeing no other matters presented for discussion at this work session, Mayor Phillips adjourned the meeting at 7:00 p.m.

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ANGELA MARSHALL
Deputy City Recorder




DENNIS R. PHILLIPS
Mayor